

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814



March 14, 2006

Regulation Package #0704-04

CDSS MANUAL LETTER NO. FS-06-01

TO: HOLDERS OF THE FOOD STAMP MANUAL, DIVISION 63

Regulation Package #0704-04**Effective 02/10/06****Sections 63-103 and 63-801**

This manual letter has been posted on the Office of Regulations Development website at http://www.dss.cahwnet.gov/ord/FoodStamps_618.htm.

These regulations implement the provisions of Assembly Bill (AB 1796) which made changes to Welfare and Institutions Code Section 18901.3 by extending food stamp benefits to individuals convicted of felony drug offenses for the use or possession of a controlled substance(s). Individuals convicted of felony drug offenses for unlawfully transporting, importing, selling, furnishing, administering, giving away, possessing for sale, purchasing for purposes of sale, or manufacturing a controlled substance shall continue to be ineligible for food stamp assistance. Only minor nonsubstantive post-hearing corrections were made to the regulations.

These regulations were adopted on an emergency basis effective July 1, 2005 and were considered at the Department's public hearing held on August 17, 2005.

FILING INSTRUCTIONS

Revisions to all manuals are shown in graphic screen. The attached pages are to be entered in your copy of the Manual of Policies and Procedures. The latest prior manual letter containing Food Stamp Manual changes was FS-05-03.

Page(s)**Replace(s)**69.9 and 69.10
454 and 454.1Pages 69.9 and 69.10
Pages 454 and 454.1

Attachments

FS

63-103	DEFINITIONS--FORMS	63-103
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(Continued)

- (6) FNS-254 (rev. 1/82) - Food Stamp Program Authorization/Retailer

The FNS-254 is used to authorize a group living arrangement as a retail food store.

- (7) FNS-259 (rev. 5/83) - Food Stamp Mail Issuance Report

The FNS-259 is used to report data on mail issuance activities.

- (8) FNS-260 (rev. 1/82) - Requisition for Food Coupon Books

The FNS-260 is used to order coupons.

- (9) FNS-261 (rev. 11/78) - Advice of Shipment

The FNS-261 is used by FNS to notify CWDs of the shipment of coupons.

- (10) FNS-292 (rev. 8/77) - Report of Coupon Issuance and Commodity Distribution for Disaster Relief

The FNS-292 is used to report the total number of persons certified for emergency coupon allotments and the total number of such allotments.

- (11) FNS-300 (rev. 2/90) - Advice of Transfer

The FNS-300 is used to report coupon transfers.

- (12) FNS-471 (rev. 4/86) - Coupon Account and Destruction Report

The FNS-471 is used to report the destruction of food coupons.

- (13) FS 8 (rev. 4/90) - Important Information About Required Verifications in the Food Stamp Program

The FS 8 is used to provide applicant/recipient households with information on verification requirements in the Food Stamp Program.

63-103 (Cont.)	FOOD STAMP REGULATIONS GENERAL PROVISIONS	Regulations
63-103	DEFINITIONS--FORMS (Continued)	63-103
	(14) Section 63-103.2f.(14)(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.	
	(QR) FS 22 QR (rev. 12/04) - Applying for Food Stamp Benefits An FS 22 QR is a required form, but substitutes are permitted if the CWD obtains prior approval. The form is used to reflect the change to QR for most food stamp households. This form is used for all NAFS households.	
	(15) Section 63-103.2f.(15)(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.	
	(QR) FS 23 QR (rev. 03/05) - How to Report Household Changes An FS 23 QR is a required form, but substitutes are permitted if the CWD obtains prior approval. The FS 23 QR informs about reporting requirements for the Food Stamp Program, which include reporting changes on the QR 7, mandatory mid-quarter reports and voluntary mid-quarter reports.	
	(16) FS 26 (3/05) – Food Stamp Program Qualifying Drug Felon Addendum An FS 26 is a required form, no substitutes are permitted. The FS 26 is provided to the household for completion to determine the food stamp eligibility of the drug felon. The FS 26 is used when adding a household member not included on the DFA 285A2, or when additional information is needed on a drug related felony conviction.	
	g. Reserved	
	h. Reserved	
	i. (1) INS I-688 (any rev. date acceptable) - Temporary Resident Card; INS I-688A - Employment Authorization Card; and INS I-688B - Employment Authorization Document.	
	The INS I-688, INS I-688A, and INS I-688B are used for the verification of alien status as specified in Section 63-300.51(b)(3)(A).	
	(2) INS G-639 (rev. 1/88) - Freedom of Information/Privacy Act Request	
	The INS G-639 is used for the verification of alien status.	
	(3) INS I-94 (any rev. date acceptable) - Arrival-Departure Record	
	The INS I-94 is used to reflect short-term employment authorization in special circumstances.	
MANUAL LETTER NO. FS-06-01		
CALIFORNIA-DSS-MANUAL-FS		
Effective 2/10/06		
Page 69.10		

63-801	CLAIMS AGAINST HOUSEHOLDS (Continued)	63-801
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.732 Prior to reduction, the CWD shall send the household a DFA 377.7C, a DFA 377.7E, or a DFA 377.7G informing them of the appropriate formula specified in Section 63-801.737, for determining the amount of food stamps to be recovered each month and the effect of that formula on the household's allotment (i.e., the amount of food stamps the CWD expects will be recovered each month), and of the availability of other methods of repayment.

.733 If the household requests to make a lump sum cash and/or food stamp coupon payment as full or partial payment of the claim, the CWD shall accept this method of payment. The CWD shall reduce the household's allotment as specified in Section 63-801.736, to recover any amounts of a claim not repaid through a lump sum cash and/or food stamp coupon payment, unless a payment schedule has been negotiated with the household.

.734 The provision in Section 63-503.325 for a \$10 minimum benefit level for households with one and two members only, shall apply to the allotment prior to the reduction.

.735 The CWD shall use the full amount of the claim to offset any restoration of lost benefits.

.736 The amount of food stamps to be recovered each month through allotment reduction shall be determined in accordance with the following procedures and the calculated figure rounded as specified in Section 63-503.31.

(a) Inadvertent Household and Administrative Error Claims

For inadvertent household and administrative error claims, the amount of food stamps recovered shall be 10 percent of the household's monthly allotment or \$10 per month, whichever is the greater amount.

(b) Intentional Program Violation Claims

For intentional Program violation claims, the amount of food stamps shall be 20 percent of the household's monthly allotment or \$20 per month, whichever is the greater amount.

(QR) .737 Recoupment by Allotment Adjustment for QR Households

(QR) (a) O/I allotment adjustment shall only be initiated at the beginning of a quarter. However, an allotment adjustment shall be discontinued mid-quarter as appropriate when the O/I has been recouped.

63-801	CLAIMS AGAINST HOUSEHOLDS (Continued)	63-801
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- (QR) (b) When the CWD completes re-coupment of one O/I mid-quarter, the CWD may begin recoupment of the next O/I in mid-quarter as long as the amount being adjusted does not result in the benefits being decreased mid-quarter.

HANDBOOK BEGINS HERE

The following examples provide some guidance in the determination of O/Is in QR.

Late Mandatory Mid-Quarter Reporting: The recipient is in the April/May/June quarter. The mother is in a Public Assistance Food Stamp household of three and is convicted of a disqualifying drug felony on April 25 and reports the conviction on April 26. The report is considered timely, because it was made within 10 days. The CWD is unable to decrease benefits for May to reflect discontinuance of the ineligible household member, because there is insufficient time to provide 10-day notice. Benefits must be issued for May in the same amount that was issued in April, and the CWD must take action to decrease benefits effective June 1. The CWD shall not establish an O/I for the May allotment, because the recipient reported the change timely.

NOTE: For NAFS households, this is not a mandatory mid-quarter report. The county shall act to discontinue the mother upon timely and adequate notice based on the subsequent QR 7.

Late QR 7: In the July/August/September quarter, a recipient turns in her QR 7 on September 25. She reports starting a new job in August and indicates that she will receive \$1,000 earnings each month. The CWD is unable to reduce cash aid and food stamp benefits for the October/November/December quarter effective October 1 due to inability to provide 10-day notice of the decrease resulting from increased income. The CWD is required to make the change effective November 1, and shall establish an O/I for food stamp benefits that were issued in error for October.

HANDBOOK CONTINUES